



Board of
Examiners

Update

May 2006

Vice President and Secretary of Commerce Honor 2005 Award Recipients

On April 19, in a ceremony at the Hilton Washington Hotel in Washington, D.C., Vice President Dick Cheney and Commerce Secretary Carlos Gutierrez presented six U.S. organizations with the Malcolm Baldrige National Quality Award, the nation's highest honor for performance excellence and quality achievement.

"With innovative practices, a strong commitment to excellence, and visionary leadership, the 2005 Baldrige Award recipients represent the best of American business, education, and health care," said Gutierrez, who served as master of ceremonies. He added, "Since 1988, the Malcolm Baldrige National Quality Award Program has gained worldwide recognition for the vital role it is playing in helping organizations achieve and sustain excellence."

The 2005 Baldrige Award recipients are Sunny Fresh Foods, Inc., Monticello, Minnesota (manufacturing); DynMcDermott Petroleum Operations Company, New Orleans, Louisiana (service); Park Place Lexus, Plano, Texas (small business); Jenks Public Schools, Jenks, Oklahoma (education); Richland College, Dallas, Texas (education); and Bronson Methodist Hospital, Kalamazoo, Michigan (health care). This is the first time that a community college, an automotive dealership, and an oil industry business have received the Baldrige Award. Sunny Fresh Foods, Inc., is a two-time Baldrige Award recipient; it received the Award in the small business category in 1999.

"All six of these organizations have risen to a level of performance that deserves the respect and the admiration of us all," said Cheney. "The Baldrige Award is an annual prize, but it represents much more than a single year of distinction. It also signifies all the years of striving and focus and sacrifice that made this moment possible. By reaching for a higher standard, and never settling for second best, and facing the future with confidence, the men and women of these organizations rank among the most exceptional achievers in our nation today. You have made our nation proud. And it's my great honor to congratulate you today on your success."

Cheney pointed out that to receive Baldrige recognition an organization must operate by high ethical principles, showing integrity in matters of corporate governance and in public responsibilities. "In this way, the Baldrige Award is a personal tribute to the men and women of each organization that receives it," he said.

Cheney remembered Malcolm (Mac) Baldrige, the twenty-sixth U.S. Secretary of Commerce, for whom the Award is named. "I've been fortunate to know a good many public servants over the years, and it's the rare one who has the breadth of experience and the wisdom and the insight of Mac Baldrige. He made his reputation as a leader in manufacturing—and when Mac was in charge you'd have a quality product and you'd see black on the bottom line." Cheney said Baldrige was a military combat veteran, a family man, a devoted public servant, and even a professional rodeo cowboy.

In the 1980s, the United States was struggling through a period of "economic stagnation" and then went straight into an "era of intense global competition in many different industries," Cheney said. To counter this, President Ronald Reagan and Secretary Baldrige developed the Baldrige Program as a national economic program built on the foundation of



limited government, free enterprise at home, and expanded markets abroad. "If anyone has doubts about America's ability to lead in the global economy, I would simply ask them to look at the Baldrige Criteria and look at the enterprises that have won this Award," Cheney said. "This year, as before, the Board of Examiners has identified a group following very diverse missions but powered by the same basic qualities of teamwork, a problem-solving mind-set, impatience with the status quo, a focus on the customer, and an ethic of responsibility and trust throughout the enterprise."

Michael A. Luker, President of Sunny Fresh Foods, Inc., said, "It is an honor to be here with you all today and to represent the 620 stakeholders of Sunny Fresh Foods who earned this recognition." As the president of a business that has been recognized twice, he said the most common questions he receives focus on two areas: "Why does Sunny Fresh Foods continue to apply for the Malcolm Baldrige National Quality Award?" and "What does receiving this Award a second time mean?"

Luker said Sunny Fresh Foods, Inc., applied for a second time because the entire organization wanted to use the Baldrige Criteria as a way to continuously improve. He said, "The 1999 Award was a fantastic milestone for our business, but everyone knew it wasn't an end, it was a beginning . . . to better serving our customers; to new, exciting dreams about our future; and to a new era of growth."

He said "sustainability" is what the Award means to Sunny Fresh. "I cannot think of a better way to verify the sustainability of a business model than using the [Malcolm Baldrige National Quality Award] process to confirm that your founding business principles continue to be the foundation upon which you grow," Luker said. Since 1999, he said, Sunny Fresh Foods has experienced rapid growth: three plants have grown to five, 380 stakeholders have grown to 620, revenue has doubled, and Sunny Fresh has become a net exporter of talent to its parent company, Cargill, Inc.

Robert E. McGough, Chief Executive Officer/President of DynMcDermott Petroleum Operations Company (DM), said, "It is with great pride that I accept this Award on behalf of DynMcDermott Petroleum Operations Company. We are here today because of the commitment and dedication to performance excellence by the employees of DynMcDermott and support from the Department of Energy and DynMcDermott's shareholder companies."

"We work hard at performance improvement, always looking ahead, finding and overcoming the next challenge," said McGough. "The Baldrige culture is DM's culture. DM's superb performance during Hurricanes Katrina and Rita is but one example of our can-do attitude. . . . Our employees responded to our call at great personal expense to themselves, giving unselfishly even though many lost their homes and all their worldly possessions. Within 72 hours of Katrina striking the Gulf Coast, 100 percent of our employees called in and asked only 'When and where do I report for work?'" McGough added.

Ken Schnitzer, Chairman of Park Place Lexus, said Park Place is the first and only automobile dealership to receive the Baldrige Award. "We set out to prove that a car dealer . . . can be run just as well and can be just as great a place to work as any other corporation in America," he said.

According to Schnitzer, Park Place Lexus "established a new standard for our industry because we were driven to create the best possible client experience. And how did we organize our work to bring out the best in everyone? That was the only easy part. We took the path laid down by the Baldrige Criteria."

Schnitzer said Park Place Lexus staff have earned a reputation as "Experts in Excellence," and the dealership is working toward the "audacious goal of becoming the country's best retail automotive group." He added, "I want to close with a word for our clients: Receiving this Award will just make us work harder than ever for the people we serve. For our industry, we hope our journey paves the way for others to choose the Baldrige formula for success."

Kirby A. Lehman, Superintendent of Jenks Public Schools, said, "It is a privilege and an honor to accept this Award on behalf of the 1,200 Jenks Public School District staff members, whose tireless pursuit of performance excellence, vision for the future, and focus on our customers have made our district's receipt of this Award a reality."

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He said the motto of Jenks is “A Tradition of Excellence With a Vision for Tomorrow,” and he recognized the five members of the Jenks Public Schools Board of Education who “are focused on helping the Jenks District continuously improve.”

“As a Malcolm Baldrige National Quality Award recipient this year, we recognize the awesome honor and myriad responsibilities that accompany this Award,” Lehman said. “Jenks staff members look forward to providing contributions on many fronts, and we will be specifically focused on sharing our quality practices with other school districts as we all strive to help lead our country toward a world-class education system.”

Dr. Stephen K. Mittelstet, President of Richland College, said, “This presidential recognition honors Richland College’s serious commitment to and passion for student learning success and our vital mission of teaching, learning, and building a sustainable local and world community. This mission stems from our belief that emotionally and intellectually authentic whole people best learn, teach, serve, and lead with heart and soul in our local and global communities.”

Mittelstet added Richland College is “grateful to arrive at this important milestone in our ongoing quality journey. . . . So I join my 50 Thunderduck colleagues here and the 1,300 who celebrate with us at home in Dallas, Texas, through a satellite feed, in thanking our students, stakeholders, community and business partners, our exceptional Dallas County Community College District [DCCCD] Board of Trustees, our other DCCCD colleagues, and the Malcolm Baldrige volunteer Examiner-consultants, for all you have done to help Richland College achieve this important milestone in our never-ending quality journey.”

Frank J. Sardone, President and Chief Executive Officer of the Bronson Healthcare Group, said, “We are humbled by the spotlight this achievement places on the state of Michigan, the great city of Kalamazoo, and everyone at Bronson. . . . All of these people have worked so hard to be the best, because they know it’s the right thing to do for the patients and families we serve. It is through their hard work and dedication that Bronson has achieved this outstanding milestone.”

Sardone said the spotlight also shines on the U.S. health care industry. “In 2001, the Institute of Medicine made an urgent call for fundamental change to close the quality gap in the American health care system. We believe that the Baldrige Program helps provide answers to this challenge.” Sardone said he is “delighted by the growing interest of the American Hospital Association, the Institute for Healthcare Improvement, and hospitals and health systems throughout the country that are embracing the Baldrige Criteria as a framework to bring excellence to our industry. It makes good business sense, and more important, it’s the right thing to do for our patients.”

“Bronson has been on a journey to excellence for many years,” Sardone added. “We have, and will continue to find, opportunities for improvement. We will continue to raise the bar in everything we do. We pause today to celebrate this significant milestone . . . but our journey continues. We now have the privilege of sharing our story, as well as a great opportunity to learn more from the experience of others.”

2005 Board of Examiners Recognized

The 2005 Board of Examiners was recognized at a ceremony April 19 at the Hilton Washington Hotel in Washington, D.C., for the Examiners’ outstanding expertise, commitment, and investment of time and energy. Examiners’ contributions were recognized by Harry Hertz and Jamie Ambrosi, Director and Acting Deputy Director, respectively, of the Baldrige National Quality Program (BNQP); Letitia Baldrige, the sister of Malcolm Baldrige, as well as one of the first U.S. women corporate directors, Social Secretary to the White House in John F. Kennedy’s administration, and Chief of Staff for Mrs. Jacqueline Kennedy; Robert Cresanti, Under Secretary of Commerce for Technology; George Benson, 2005 Chairperson of the Board of Overseers and Dean of the Terry College of Business at the University of Georgia; and Roy Bauer, 2005 Chairperson of the Board of Examiners and Chief Operating Officer for PEMSTAR, Inc.



Master of Ceremonies Jamie Ambrosi began the recognition, saying, "This Program doesn't happen without the work of volunteers [the Examiners]. It is a Herculean effort you perform. Our Program benefits and, most important, our country benefits."



Letitia Baldrige expressed her admiration for the Examiners: "You are a very important group. You are this Program's heart. . . . I know Mac up there on high is . . . appreciating you."

She reminisced about her brother's employment experiences after returning home from World War II. She said Malcolm Baldrige worked his way from the ground up in an iron foundry to become the head of labor relations and eventually the President and Chief Executive Officer of the company, all in a span of three years. He eventually was appointed Secretary of Commerce, but she said he always had time to advise her in her endeavors as one of the first female directors of a U.S. corporation. Baldrige said her brother also had an amazing sense of humor, as did President Reagan, who upon calling Baldrige to speak to him about becoming Secretary of

Commerce and hearing that he could not come to the phone because he was out roping steer, decided on the spot that "he's my man."

Baldrige also recounted her fond recollections of John F. Kennedy, who, she said, also had a wonderful sense of humor and cared about protocol and etiquette, for which she was charged in his White House. She recalled when the White House was criticized in the press for "being too Frenchified." President Kennedy told her to change all the menus from French to English. But when *crème brûlée* became "burnt cream," she said she "won that battle." She also recalled the very first party at the Kennedy White House, which consisted of a cocktail party. Baldrige said the next day's newspapers contained headlines that read, "Booze at the White House," and the President reprimanded her for organizing the party. With a twinkle in her eye, Baldrige said she apologized abjectly, and Kennedy ended up consoling her. "I got blamed for everything that [went wrong at the White House]. That's why I was such a marvelous apologist," she said with a smile. Baldrige added that, at the same time, she was always thanked by JFK for everything she did well, sometimes in the form of a note with just the two words "Good job!"

Baldrige concluded: "Today, I've talked about the human side of my brother and the President [Kennedy]—two great men . . . so we must salute excellence." To the Examiners, she said, "That's why the Program is so important. You are saluting excellence."

Roy Bauer, 2005 Chairperson of the Board of Examiners, said 2005 was an interesting and challenging year for both the Examiners and Judges. He said the health care sector was highly competitive with a large number of applications, and 2005 was the first year that the Program had a car dealership and a community college as Award recipients. Bauer also noted that DynMcDermott Petroleum Operations Company had a unique application of the Baldrige Criteria and it was interesting to see how it dealt with the Gulf Coast hurricanes, and Sunny Fresh Foods had a very impressive second win: "Winning once is tough; winning twice is three times as tough," he said.

"The more I'm in the process, the more I respect [the work of the Program]," Bauer said, adding that he started with the Program as an Award recipient, then became an Examiner, Senior Examiner, Backup Team Leader, Team Leader, and then finally Judge. To the Examiners, Bauer said, "The quality of your work and amount of effort you put in helped [the Judges] get our job done. I can't say enough for the hard work you put into the process."

Bauer then referred to his recent success in applying the Baldrige Criteria to his work as head of a global manufacturing company that was "not expected to make it." He said that nine months after its restructuring using the Baldrige Criteria for Performance Excellence, the company is expected to be profitable for the long term. Bauer said he was disappointed that the number of manufacturing companies applying for the Baldrige Award is declining, and he added that the Baldrige Criteria work in manufacturing: [manufacturers] "need inspired leadership, strategy to temper short-term restructuring, customer focus to keep customers embraced with strong relationship management, data to know where [they] are at, systematic approaches to empower people globally, [understanding of] key processes, and results to keep critical partners." He said his company used the Baldrige framework, and "we're a stronger company for it. . . . For those of you who question whether the Baldrige Criteria [apply to manufacturers], you can call me," he said with a smile.

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George Benson, 2005 Chairperson of the Board of Overseers, was equally appreciative of the Examiners' contributions, knowledge, expertise, and level of commitment. "I know for a fact that [what makes this Program work] is you [Examiners]. . . . As a member of the Board of Overseers, I simply want to applaud you and to say to you, 'Thank you for all the time you invest in this Program.'" Calling the Baldrige Program the most effective public/private partnership in the United States, Benson said the Examiners and NIST staff were a "classy group of people" and he was honored to be associated with the whole Baldrige family.

Robert Cresanti, Under Secretary of Commerce for Technology, said that, although he had only been in his current position for a few weeks, he had "long been an admirer of Malcolm Baldrige," who, he said, was a strong proponent of quality and accountability. Cresanti said that the Baldrige Award exemplifies quality and excellence and is admired around the world. He added that the Criteria help U.S. organizations meet the challenges of the twenty-first century.

Cresanti thanked the Examiners for their "generous contributions of time, energy, and expertise. . . . Keep encouraging others to become involved by using the Criteria and applying for the Award. . . . We appreciate your commitment to share performance excellence. You are some of the Program's most important advocates."

Baldrige Program Director Harry Hertz wrapped up the ceremony by thanking both his staff and the Examiners. "I still honestly believe I can't say 'Thank You' enough. [Examiners] are the vital link. Without you, we would not have [this Award] ceremony today."

Hertz said he researched ways that people say "thank you." He quoted one as saying, "Every time we remember to say 'thank you,' we experience nothing less than heaven on earth." Hertz told the Examiners that he feels this way about them. "I'm glad to have you as colleagues, friends, and volunteers in service to our country."

New Judges and Chairperson Appointed

Secretary Gutierrez recently appointed Paula Friedman, William (Bo) McBee, and Diane Kramer Siri to the 2006 Malcolm Baldrige National Quality Award Panel of Judges.

Paula Friedman is Corporate Vice President–Systems Improvement at SSM Health Care in St. Louis, Missouri. SSM, the first Baldrige Award recipient in health care, received the Award in 2002. In her position, Friedman provides leadership and support in planning, marketing, satisfaction monitoring, and system improvement, including responsibility for leading system-wide strategic improvement opportunities. Prior to joining SSM in the early 1990s, Friedman served as Vice President of Contract Development at United Western Medical Centers in California. She began her career in health care in market planning with American Medical International, also in California. Friedman was a Baldrige Examiner for six years, including two years as a Senior Examiner, before her appointment as a Judge.

Bo McBee is currently the Vice President–Total Customer Experience and Quality at Hewlett-Packard (HP), where he is responsible for developing and managing the implementation of plans for improving the Enterprise customers' experience and overall satisfaction with HP. In his prior position as Vice President of Quality and Customer Satisfaction for Compaq, McBee was responsible for corporate-wide quality management and customer satisfaction improvement. Previously, McBee was Director of Corporate Quality at Armstrong World Industries, where he was instrumental in leading the company to become a 1995 Baldrige Award recipient. McBee served as a Senior Examiner for the Malcolm Baldrige National Quality Award for four years and as a Judge for the Pennsylvania State Quality Award and the National Excellence in Service Award. He currently serves on the Board of Directors for the Quality Texas Foundation and is past Chairman of the U.S. Quality Council #1.

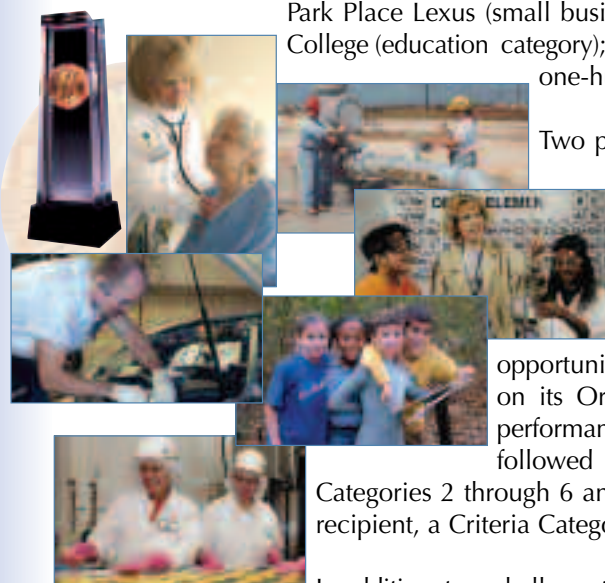
Diane Kramer Siri is the Superintendent of the Santa Cruz (California) County Office of Education. She began her career in education as a math teacher and has held all administrative positions in the K-12 continuum. In addition to her teaching and administrative responsibilities, Siri has been an Adjunct Professor and Lecturer at Santa Clara University and San Jose State University, both in California, and in 1998, she was a Baldrige Award Examiner. In 2001, Siri worked with Baldrige Award recipients from her local business community to initiate the California Center for Baldrige in Education. She has authored numerous articles and publications, including *Baldrige in Education*, published by the Association of California School Administrators in June 2004.

The new Judges join the current Panel of Judges: Lloyd Barker, David Branch, Jim Evans, Steve Hagedorn, Steve Lampa, and Maureen Travelini.

Secretary Gutierrez also appointed David Branch as the Chairperson for the 2006 Panel of Judges. Branch is Chairman/Chief Executive Officer of Branch-Smith Resources, Ltd., and President of Branch-Smith Printing in Fort Worth, Texas, a 2002 Baldrige small business Award recipient.

Award Recipients Showcased at The Quest for Excellence XVIII Conference

The Quest for Excellence (QE) XVIII Conference, held April 23–26, at the Hilton Washington in Washington D.C., featured Sunny Fresh Foods, Inc. (manufacturing category); DynMcDermott Petroleum Operations (service category); Park Place Lexus (small business category); Jenks Public Schools (education category); Richland College (education category); and Bronson Methodist Hospital (health care category). One-thousand, one-hundred and forty people attended the conference.



Two pre-conference workshops were conducted on Sunday afternoon, as were meetings of the state and local quality award programs and the Baldrige Award recipients.

Undersecretary Cresanti recognized the 2005 Award recipients on Monday morning. The conference featured three days of plenary, concurrent, and town hall sessions, as well as multiple networking opportunities. The plenary sessions included presentations from each recipient on its Organizational Profile and leadership system and on its journey to performance excellence and lessons learned. Question-and-answer panels followed these presentations. The concurrent sessions addressed Criteria

Categories 2 through 6 and applying for the Baldrige Award. Attendees could track an Award recipient, a Criteria Category, or both.

In addition, town hall question-and-answer sessions organized by sector featured many past Award recipients, including The Bama Companies, Inc.; Boeing recipient divisions; Medrad, Inc.; Caterpillar Financial Services Corporation (U.S.); Kenneth W. Monfort College of Business; Pearl River School District; Robert Wood Johnson University Hospital Hamilton; and Saint Luke's Hospital of Kansas City.

The Bama Companies, Inc.; Medrad, Inc.; Boeing recipient divisions; Robert Wood Johnson University Hospital Hamilton; Pearl River School District; and Saint Luke's Hospital of Kansas City also presented special topics on Tuesday.

Sister Mary Jean Ryan, President and Chief Executive Officer of SSM Health Care, and John Friel, President and Chief Executive Officer of Medrad, Inc., were the keynote presenters.

QE XVIII was jointly sponsored by the American Society for Quality, the American Society for Training and Development, and the National Institute of Standards and Technology (NIST).

The Quest for Excellence XIX will be held April 15–18, 2007, at the Hilton Washington in Washington, D.C.

The Quest for Excellence® XVIII Post-Conference CDs Available

New this year, all attendees of QE XVIII will receive in the mail by mid-June what BNQP hopes will prove to be a very valuable product for them.

Attendees will receive a full compilation CD set containing videos of the Monday and Wednesday plenary sessions featuring the highest-ranking officials of all six of the 2005 Award recipients. In addition, the CD set contains keynote remarks by Sister Mary Jean Ryan, President and Chief Executive Officer of SSM Health Care, and John Friel, President and Chief Executive Officer of Medrad, Inc., as well as audio soundtracks of each of the concurrent sessions, six

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special sessions from former Award recipients, and town halls for different sectors. The CDs also contain all of the 2005 Award recipients' application summaries, as well as bios, profiles, and slide presentations from all of the recipient organizations.

In addition, because of the special challenges of QE funding and timing for those from the education sector, BNQP will make available for sale at a reduced price an Education CD that will include only the 2005 education Award recipients'—Jenks Public Schools and Richland College—plenary and concurrent presentations. In addition, this Education CD will contain the education town hall and a special session on the No Child Left Behind Act given by the Pearl River School District, as well as the slide presentations, bios, profiles, and application summaries for Jenks and Richland.

For those who were unable to attend QE or who would like extra copies, the CD sets will be for sale through Content Management Corporation via a link on the Baldrige Web site (www.baldrige.nist.gov) beginning in mid-June.

Effective in 2007, New Award Application Fees

For the first time since 2001, application fees for the Malcolm Baldrige National Quality Award will be increasing in 2007. The chart below shows the fees for the various types of organizations, including the nonprofit award category, which will be added to the competition in 2007.

There is a distinction noted in the fees for education nonprofit K-12 and higher education organizations. Eligibility fees, supplemental section fees, and site visit fees are unchanged except for nonprofit higher education organizations.

Award Category	Eligibility Fee	Application Fee *	Supplemental Section Fee (If applicable) **	Site Visit Fee Usual Range (If applicable)***
Manufacturing	\$150	\$6,000	\$2,000	\$20,000–\$35,000
Service	\$150	\$6,000	\$2,000	\$20,000–\$35,000
Small Business	\$150	\$3,000	\$1,000	\$10,000–\$17,000
Education (nonprofit K-12)	\$150	\$1,000	\$250	\$1,500
Education (nonprofit higher education)	\$150	\$3,000	\$1,000	\$10,000–\$17,000
Education (for profit >500 faculty & staff)	\$150	\$6,000	\$2,000	\$20,000–\$35,000
Education (for profit <500 faculty & staff)	\$150	\$3,000	\$1,000	\$10,000–\$17,000
Health care (> 500 staff)	\$150	\$6,000	\$2,000	\$20,000–\$35,000
Health care (< 500 staff)	\$150	\$3,000	\$1,000	\$10,000–\$17,000
Nonprofit (> 500 staff)	\$150	\$6,000	\$2,000	\$20,000–\$35,000
Nonprofit (< 500 staff)	\$150	\$3,000	\$1,000	\$10,000–\$17,000

*An additional processing fee of \$1,250 is required for applications submitted on a CD.

**Supplemental sections are not applicable for applicants with (a) a single performance system that supports all of their product and/or service lines and (b) products or services that are essentially similar in terms of customers and/or users, technology, types of employees, and planning.

***Site Visit Fee: This fee is paid only by applicants receiving site visits. The fee is set when the visit is scheduled and is dependent upon a number of factors, including the number of sites visited, the number of Examiners assigned, and the duration of the visit.

competitiveness

New BNQP Resources Now Available

Education Article Reveals How Schools Strive for Excellence



In the March/April 2006 issue of *Principal*—the bimonthly magazine of the National Association of Elementary School Principals—leaders from three K-12 school districts that have received the Baldrige Award share their perspectives on how their districts and schools use the Education Criteria for Performance Excellence to achieve organizational performance goals. With an emphasis on students' academic performance, the principals relate their schools' continuing improvement efforts through "the lens" of the Baldrige Education Criteria.

Baldrige Staff Christine Schaefer, a member of the Publications Management Team, and Sandra Byrne, a member of the Management Team, co-authored the article "The Baldrige Program: Self-Assessment for Continuous Improvement." "The Education Criteria for Performance Excellence provide a structure for any public or private institution that offers teaching and instructional services to students. . . . Since the principal goals of education

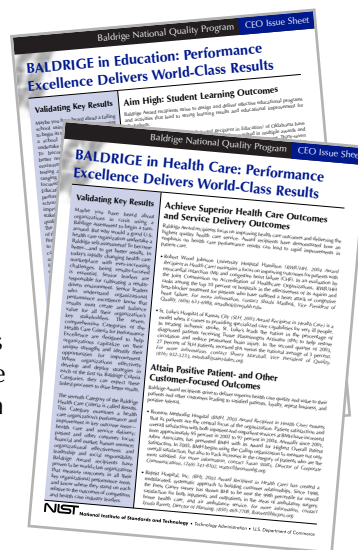
organizations are teaching and learning, the Criteria help education organizations focus on well-conceived and well-executed assessment strategies; year-to-year improvement in key performance indicators—especially student learning; and demonstrated leadership in performance improvement relative to comparable organizations and appropriate benchmarks," write Schaefer and Byrne. The full text of the article can be found on our Web site at www.baldrige.nist.gov/Principal_Article.htm.

Education and Health Care Issue Sheets Show Demonstrated Results

In today's education environment of high-stakes academic testing and accountability, being results-focused is essential for schools. Similarly, in today's rapidly changing health care marketplace, with ever-increasing challenges, being results-focused is essential. Senior leaders are responsible for cultivating a results-driven environment, and senior leaders who understand organizational performance excellence know that results must create and balance value for all of their organization's key stakeholders, promoting quality and organizational sustainability. The seven, comprehensive Categories of the Baldrige Criteria are designed to do just that.

"Baldrige in Education: Performance Excellence Delivers World-Class Results" provides evidence of the value of the Baldrige Criteria to education organizations by examining the results of seven Baldrige Award recipients. This issue sheet provides sample results from each of the Category 7, Results Items:

- Student Learning Outcomes
- Student- and Stakeholder-Focused Outcomes
- Budgetary, Financial, and Market Outcomes
- Faculty and Staff Outcomes
- Organizational Effectiveness Outcomes
- Leadership and Social Responsibility Outcomes



"Baldrige in Health Care: Performance Excellence Delivers World-Class Results" provides evidence of the value of the Baldrige Criteria to health care organizations by examining the results of five Baldrige Award recipients. This issue sheet provides sample results from each of the Category 7, Results Items:

- Health Care and Service Delivery Outcomes
- Patient- and Other Customer-Focused Outcomes
- Financial and Market Outcomes
- Human Resource Outcomes
- Organizational Effectiveness Outcomes
- Leadership and Social Responsibility Outcomes

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“Baldrige in Education” can be found on the Baldrige Web site at www.baldrige.nist.gov/Issue_Sheet_ED_Excellence.htm. “Baldrige in Health Care” also can be found online at www.baldrige.nist.gov/Issue_Sheet_HC_Excellence.htm. These two new Issue Sheets join the existing business issue sheet, “Baldrige: Performance Excellence Delivers World-Class Results,” which can be found online at www.baldrige.nist.gov/Issue_Sheet_Excellence.htm.

Sample Award Application Proves Criteria Work for Government Organizations



An independent writing team, composed of current and former BNQP Examiners, has developed a resource to illustrate an application for a nonprofit, government organization applying for the Malcolm Baldrige National Quality Award. The Flagstaff District, Grand Canyon Region Case Study, depicting a fictitious government organization, is intended to help both nonprofit organizations and Examiners at the national, state, and local levels appreciate the differences and similarities between for-profit organizations and government agencies.

According to the writing team, one of the hardest concepts to translate from the private sector into the public sector is that of “competition.” In many cases, the services provided to the public by an agency of the federal government can be obtained only from that government agency. Historically, this sometimes has led to the perception that government service providers are “the only game in town,” lessening the concern for, or need to understand, customer needs, desires, or drivers of satisfaction. The Flagstaff District, Grand Canyon Region Case Study shows that this is not true and uses the Criteria to show how government agencies can strengthen their commitment to providing exceptional value for customers while continuously improving every aspect of their business.

The Flagstaff District, Grand Canyon Region Case Study depicts one of 41 fictitious districts within the U.S. Water Resource Agency, an agency in the Department of Renewable Resources. The fictitious organization in the case study is charged with the responsibility to develop, protect, and administer water resources within the United States. The case study was prepared in anticipation of the addition in 2007 of a nonprofit category competition to the Award. It has been published on the BNQP Web site (www.baldrige.gov/Flagstaff.htm) as an example of a nonprofit application and as a resource; it is not written to be an example of a role model organization.

The Flagstaff District, Grand Canyon Region Case Study was prepared by a team of writers who embarked on this case study project in order to help nonprofit, government organizations better understand the Criteria for Performance Excellence and how the Criteria apply to them. The team was led by John Vinyard and comprised Robin Gieniewski, Jim Halford, Cheryl Janoski (formerly Jones), Sheryl Morris Meyer, and Jim Zurn. Thanks also are given to Harry Gieg and Celia Hayner for their editing and graphic design expertise.

BNQP thanks the team for contributing this very useful resource!

Innovative Version of Landmark Dining, Inc., Case Study Posted



One of the most important tools used to train Baldrige Examiners in the evaluation process is a case study. A case study provides insight into and understanding of the Criteria on which evaluations are based. A case study also illustrates the format for an application. The Landmark Dining, Inc., Case Study was prepared for use in the 2005 Malcolm Baldrige National Quality Award Examiner Preparation Course. The case study describes a small business, a fictitious steak and seafood restaurant.

Based on feedback that it would be useful for potential Award applicants to see an example of how the Criteria are used to write an application, an innovative version of the Landmark Dining, Inc., Case Study was developed by BNQP and can be found on the Baldrige Web site at www.baldrige.nist.gov/Landmark.htm. As with all case studies, this version is designed to help readers become familiar with the Baldrige Criteria for Performance Excellence; however, in this version, the full text of Criteria questions are included in boxes preceding the application

material that responds to those questions. The driver behind this change is that including the full text of a question might further help readers to understand how typical applicants respond to Criteria Items. It allows the reader to see exactly what was asked and answered without having to refer to other documents.

This case study is not intended for use as a template for preparing an actual application for the Malcolm Baldrige National Quality Award. With the inclusion of the Criteria questions, the text exceeds the maximum page count allowed per application. (Each year, information on application specifications is provided in the *Baldrige Award Application Forms*.)

2006 Slide Set, Webcast, and Frequently Asked Questions Now Available

The 2006 Examiners as Ambassadors Webcast and Slide Set are now available for downloading at **www.baldrige.nist.gov/Outreach.htm**. In addition, all Examiners who attend training in May 2006 will be given a CD containing the entire Webcast and Slide Set. The following components are included as part of the Webcast and Slide Set:

- Examiners as Ambassadors Webcast: This Real Player presentation provides information about the role that Examiners play as ambassadors for the Baldrige National Quality Program. Real Player may be downloaded free of charge at the Web site above.
- Slide Set: Ten presentations are included. Each can be used “as is” and/or combined or tailored to create unique presentations for particular audiences. The PowerPoint presentations are Award Process, Criteria for Performance Excellence, Education Criteria for Performance Excellence, Health Care Criteria for Performance Excellence, Generic Criteria Overview, Key Excellence Indicators*, Program Impacts, Program Overview, Self-Assessment, and Why Apply?
- Examiner Presentation Tracking Form: This faxable form helps the Baldrige Office to track Examiner presentations, as well as to gather feedback on the quality of our Slide Set materials.
- Materials Available from the Baldrige National Quality Program
- Instructions for Tailoring the 2006 BNQP Slide Set: Simple instructions are provided on how to tailor the presentations to meet the needs of a particular audience.
- Frequently Asked Questions: Questions are categorized as background, applying for the Award, Award recipients, Board of Examiners, using the Criteria, senior leadership involvement, health care and education, the Malcolm Baldrige National Quality Award and ISO 9000, and miscellaneous. Questions are updated annually.
- Letter of Introduction and Guidance for Using It: Guidance for locating Chambers of Commerce and Rotary Clubs within your area is provided. These groups are often looking for speakers and are a good audience. The letter introduces the Examiner and provides some background information on the Award. It can easily be tailored for approaching other groups.

*The Key Excellence Indicators module provides examples of how Award recipients over the last three years demonstrate excellence. (Key Excellence Indicators for Award recipients from more than three years ago may be obtained by contacting the Baldrige Office.) Examiners may want to select various examples when preparing for a specific briefing or to emphasize examples from a particular sector or a particular Baldrige Criteria Category.

The Baldrige Program Understands the Power of Innovation

Article submitted by BNQP staff member Jacqueline Calhoun

If you look up “innovate” in Webster’s Dictionary, you will find that the root word is *innovare*—to renew. The modern definition is to introduce something new or to make changes. BNQP staff members are putting their spin on the definition of innovate and stepping forward with new ideas to streamline work processes, improve their work environment, and create an office that continuously encourages innovation and improves performance. BNQP staff members are committed to fostering a culture of innovation and team work. Their achievements are the result of the combined efforts of the Program’s six teams (Administrative Services and Electronic Information, Award Process, Examiner and Staff Development, Management, Outreach and Communications, and Publications Management).

One of the Baldrige Criteria Core Values is *Managing for Innovation*. This Core Value embraces the importance of making meaningful change to improve an organization’s products, services, programs, processes, and operations and

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to create new value for the organization's stakeholders. Two important concepts depicted in this Core Value are that (1) innovation should lead an organization to new dimensions of performance and (2) organizations should be led and managed so that innovation becomes part of the learning culture. This Core Value also emphasizes that innovation builds on the accumulated knowledge of an organization and its employees. Through the recently implemented Baldrige Innovative Idea Program, each Baldrige team develops new ideas and builds the Program's knowledge assets.

The Innovative Idea Program was initially discussed at a Coordinating Council (CoCo) meeting to ensure that the proposed innovative ideas would represent the thinking of the entire Baldrige staff. CoCo participants consist of the Baldrige Program's Director and Deputy Director, along with a Team Leader from each of the Baldrige Program's five remaining teams. From CoCo discussions, it was determined that each team should be encouraged and empowered to propose new ideas to help spur innovation. Each team now sets out to boost its innovative idea toolbox by discussing possible innovations during its weekly team meetings. Teams focus their ideas on streamlining work processes and avoid ideas that would add to the workload. Once a team comes to consensus on its innovative idea, the idea is shared informally with the rest of the office during a biweekly staff meeting. The reports are five-to-ten minutes long, and the ideas can be as simple as a brainstormed thought or a concept that is offered for further discussion. There may be some general discussion and questions asked of the team presenting the idea to provide clarification. After an idea is presented, it goes to CoCo, where a determination is made on the best way to move the idea forward.

How novel is innovation to the Baldrige Program? Innovation is not new to the Program; prior to formalizing the Innovative Idea Program, other great ideas have been generated and adopted by the Baldrige Program. These include the ThankQ Note Program, which is a peer-to-peer recognition program; the team rotation program, which enhances cross-team learning; and the overall concept of self-managed teams, which empowers teams to fully utilize the resources of all team members and have greater participation, flexibility, and autonomy to carry out their work. Building on this embedded culture of innovation, examples of numerous new ideas have been generated as part of the Innovative Idea Program. One team presented an idea that would improve the method used for organizing the shared graphic and document files on the Baldrige office local area network. An idea was presented to help ensure efficient and effective use of resources when determining changes to the Baldrige Award Cycle Process. Another major innovation is being piloted this year, an innovation that would significantly change the Baldrige application review process, shortening it and at the same time improving feedback to applicants. Newly generated improvement ideas also address better ways of packaging and handling heavy items that are shipped from the Baldrige Office and improved techniques to enhance electronic filing of Baldrige information. Even the publishing of this article was an idea from a team. Since the inception of the Innovative Idea Program, new ideas keep on coming, including one team's organizing weekly walks and thereby promoting a healthier workplace and each team's taking part in organizing monthly birthday celebrations. According to John Jackson, a new employee at BNQP, "Innovation is a daily part of my job. With the ever-changing marketplace, team leaders and employees encourage and support new concepts and techniques because they realize that success comes not from unchanged repetitive tasks but from being objective and impartial."

Clearly, the Baldrige Program understands the power of innovation, and the Program is practicing what it preaches to other organizations about making meaningful changes that can lead to new dimensions of performance. BNQP staff member, JoAnne Surette says she is very comfortable sharing her ideas, adding that her seven years with the Baldrige Program "have passed quickly, filled with many pleasant memories of challenges met, achievements shared, and robust pride in our mission." Innovation is contributing to the learning, alignment, and integration of the Baldrige Program's work processes, resulting in high performance and continued success. Keep those innovative ideas flowing!

Baldrige at Work in Education

Article submitted by Joe Simpson, Deputy Director of the Council of Chief State School Officers

Even in the most challenged communities, school leaders who approach reform in a systemic way see academic improvement gains from students. Schools that use data and resources wisely are able to make leaps in their work to meet state and federal requirements. Systems thinkers create learning communities where adults and children are engaged in continuous learning and stakeholders are actively involved.

The National Educator Training and Leadership Center (NET LC), developed by the Council of Chief State School Officers (CCSSO), supports change and transformational learning for education leaders. To accomplish this, NET LC

draws resources and ideas from business, management, leadership, and the arts and sciences. Utilizing the principles of the Baldrige framework and systems change, NET LC created an online community for innovative leaders.

Enhanced school leadership is the top priority for American schools, according to a recent report from the U.S. Department of Education entitled "Toward a New Golden Age in American Education" (January 2005). The report emphasizes the need for teachers and administrators to have proper technology and leadership training and encourages the participation of the business community to help with this training. The report encourages the use of the Internet and online courses and seminars to help develop the education leaders our children need.

The ultimate goal of NET LC is as follows: Through leadership development and systems change, improve our schools, help the United States compete internationally, and continue to develop the education leaders of the future.

NET LC is

- an aggregator and distributor of the best content on leadership development
- a provider of cutting-edge information and new resources to registered users
- an easy-to-use professional development experience both online and offline
- a confidential virtual meeting/work space for leaders to think, learn, and collaboratively work together to form communities of practice
- a collection of high quality tools to support communities of practice (tools include calendars, a document library, virtual meeting/work space, and Web conferencing)

Why Baldrige and Systems Change?

Changing systems is about looking at the big picture and improving the structure of educational organizations. It is about getting results by realistically assessing where the system is and where it is going. It is about planning, executing, reviewing, measuring, and improving. It is about continuous learning.

You can visit NET LC at **www.netlc.org** to browse through resources, see some current articles on systems change in education, and learn about the benefits of membership. For more information on NET LC, please contact Joe Simpson at joes@ccsso.org.

Planning For Upcoming Conferences And Meetings

2006 Workshop for State and Local Quality Award Programs Planned

On Monday and Tuesday, July 24–25, 2006, the Baldrige Program will host the annual Workshop for State and Local Quality Award Programs at NIST. The workshop has been scheduled to coincide with Improvement Day on Wednesday, July 26, to encourage attendance at both events. Jan Pridgen, North Carolina Awards for Excellence; Brian Knight, Rhode Island Quality Awards; Steve Brandt, Keystone Alliance for Performance Excellence (Pennsylvania); and Geri Markley, Michigan Quality Council, comprise this year's Workshop Planning Team.

Three state award programs will be recognized for being the homes to recipients of both their state award and the 2005 Baldrige Award:

- The Louisiana Performance Excellence Award (DynMcDermott Petroleum Operations Company, 2003 state recipient)
- Quality Texas Foundation (DynMcDermott Petroleum Operations Company, 2005 state recipient; Park Place Lexus, 2003 state recipient; Richland College, 2005 state recipient)
- Michigan Quality Council (Bronson Methodist Hospital, 2005 state recipient)

Questions on the 2006 Workshop for State and Local Quality Award Programs may be addressed to the Workshop Planning Team above or to BNQP's Melissa Pollack at (301) 975-8950 or Heather Zeitlin at (301) 975-8274.

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2006 Improvement Day Planned

Improvement Day is scheduled for Wednesday, July 26, at the Baldrige Program Office in Gaithersburg, Maryland, following the State and Local Workshop. Because 2007 is a major revision year for the Criteria, this year's Improvement Day will give you an opportunity to comment on those elements of the Criteria that are especially important to you. As in past years, if you are unable to come to Gaithersburg for Improvement Day, you will be able to provide your input via a Web-based survey, e-mail, or hard copy. Directions for submitting comments via the Web survey, as well as information on e-mail or regular mail submissions, will be made available on the Baldrige Web site in late May.

2006 Regional Conferences Planned

The 2006 Regional Conferences will take place on September 21 at the Sheraton Nashua Hotel in Nashua, New Hampshire, and on October 8 at the Hotel Albuquerque at Old Town in Albuquerque, New Mexico. The conferences are being co-sponsored by the Granite State Quality Council (New Hampshire), the Vermont Council for Quality, Quality New Mexico, and The Nevada Quality Alliance.

Both conferences will feature plenary session presentations from the senior leaders of the six 2005 Award recipients—Sunny Fresh Foods, Inc.; DynMcDermott Petroleum Operations; Park Place Lexus; Jenks Public Schools; Richland College; and Bronson Methodist Hospital—as well as concurrent and town hall sessions featuring current and past Baldrige Award recipients. Back by popular demand, a pre-conference workshop for Baldrige beginners will be offered again this year.

Keep checking our Web site at www.baldrige.nist.gov for the most current information and linkages to both conferences and hotel reservations. The New Hampshire conference is being held as the leaves begin to turn in the northeast, and the New Mexico conference is being held the day before the opening of the nine-day Albuquerque International Balloon Fiesta!

Examiner Ambassador Activities

Between early November 2005 and late April 2006, the following Examiners or former Examiners reported outreach efforts: Nancy Askins, Marty Stephens, Rosemarie Stocky, and Frank Toda.

In addition, the following Examiners (including Alumni and former Examiners) requested the portable exhibit and/or outreach material: George Benson, Donelle Denery, Joel Ettinger, Michael Flanagan, Sherril Gelmon, Paul Grizzell, Barry Johnson, Tom Mauro, Joyce Rozman, Rebecca Ruhl, Tina Shoemaker, Bob Stearns, Mike Strong, and John Vinyard. We thank all of these ambassadors for their outreach activities on behalf of the Program.

David B. Van Winkle, Superintendent for the School District of Haverford Township in Pennsylvania, submitted an article published in the American Association of School Administrators' magazine, *The School Administrator*. In "Inferior Blueberries and Other Excuses I've Heard," Van Winkle, who served for four years as a Baldrige Examiner, writes, "In taking on the business executive, the teacher incorrectly assumes that students are somehow raw materials and this has become the premise for those who build excuses for public education. A more appropriate view is the student in the role of customer with needs and expectations that must be met." Van Winkle writes that the Education Criteria for Performance Excellence can be used as a framework for education organizations to move to an orientation of continuous improvement. He writes, "[The Education Criteria] pose important questions about how schools function. Honest answers will identify gaps in processes and in results, which must be closed for schools to significantly improve." The complete article can be found online at www.aasa.org/publications/saarticledetail.cfm?ItemNumber=2814&snItemNumber=950&tnItemNumber=951. Thank you, David, for your contributions to Baldrige in education!

If you have conducted outreach efforts on behalf of the Program and wish to be recognized, report your activities to our Outreach and Communications Team via fax at (301) 948-3716 or e-mail at nqp@nist.gov.

Baldrige Office On the Road

Upcoming events where the Baldrige Program will be exhibiting include the Association of Collegiate Business Schools and Programs (ACBSP) Annual Conference in Chicago, Illinois, June 16–19; Excellence in Government 2006 in Washington, D.C., July 10–11; American Society of Association Executives (ASAE) Annual Meeting and Exposition in Boston, Massachusetts, August 19–22; Association of Small Business Development Centers (ASBDC) Conference in Houston, Texas, September 12–15; National Association for Healthcare Quality (NAHQ) Education Conference in San Diego, California, September 17–20; Association for Manufacturing Excellence (AME) Annual Conference in Dallas, Texas, October 17–19; National Quality in Education (NQCE) in Dallas, Texas, November 12–14; and The Institute for Healthcare Improvement (IHI) National Forum on Quality Improvement in Health Care in Orlando, Florida, December 10–13. You can keep track of future events where BNQP will be presenting or exhibiting at www.baldrige.nist.gov/BNQP_Exhibit_Schedule.htm.

NIST News

Nancy Jokovich recently joined the Examiner and Staff Development Team as an Education Specialist, coming to the Baldrige team from the ranks of the Board of Examiners. As a former Senior Examiner, Nancy has led Site Visits Teams, facilitated Examiner preparation classes, and participated in the development and editing of training school scorebooks.

Formerly on staff at Austin Community College, Nancy managed learning resource centers at Texas Instruments and Soletron. Her education includes a bachelor of arts degree in computer linguistics from North Carolina State University and a master of arts degree in linguistics from the University of Texas at Austin. Teased by friends and family that, previously, her chief hobby was “Baldrige,” she also enjoys classical music, needlepoint, and Pilates®. Nancy can be reached by telephone at (301) 975-8212 or by e-mail at nancy.jokovich@nist.gov. Welcome, Nancy!

Doug Jones joined the Outreach and Communications Team as a Business Specialist in February 2006. Prior to joining the Baldrige Program, Doug was a Program Manager in the Life Sciences Group of the Advanced Technology Program (ATP) at NIST, focusing on new technology development with projects that centered on antibody development platforms, tissue engineering, diagnostic platforms, and agriculture. He joined ATP after being a Six Sigma Agent (Blackbelt) at Bombardier Aerospace, where he worked on process improvement projects in all phases of a complex product development and manufacturing environment. Preceding that, Doug’s experience was in agricultural life sciences, culminating in employment with Mitsui and Co (USA), Inc., where he worked on product development, export, and joint venture management.

Doug earned his bachelor of science degree in organizational communication from the University of Idaho, master of science degree in mariculture from Texas A&M University–Corpus Christi, and master of business administration degree from the Eller School of Business at The University of Arizona. Doug can be reached by telephone at (301) 975-2004 or by e-mail at doug.jones@nist.gov. Welcome, Doug!

Jeff Lucas joined the Award Process Team as a Social Scientist in March 2006. He comes to BNQP after 18 years in public education, both at the state and local levels. His recent work as Program Manager at the Maryland State Department of Education included development of performance measurement solutions for the statewide system of career and technical education. Prior to entering the education field, Jeff held a variety of positions in hotel and restaurant management. He received a master’s degree in organizational development from The Johns Hopkins University in Baltimore, Maryland, and a bachelor’s degree in psychology from the College of William and Mary in Williamsburg, Virginia.

Jeff also will be making a transition in terms of his relationship with BNQP. For the past five years, he has served on the Board of Examiners and is now looking forward to using this experience to help improve the Award process for both Examiners and applicants. Jeff can be reached by telephone at (301) 975-8035 or by e-mail at jeffrey.lucas@nist.gov. Welcome, Jeff!

Update

In January 2006, **Suzana Weaver** joined the Administrative Support/Electronic Information Team from ATP, where she worked as an Office Assistant for the Information Technology (IT) and Competition Management Teams. Suzana also has worked as a Group Secretary for the NIST Electronics and Electrical Engineering Laboratory at NIST. Before working at NIST, Suzana worked at the International Development Bank (IADB), an international nonprofit organization in Washington, D.C., where she served as a Consultant/IT Administrative Assistant for the IT Group.

She is a native of Brazil and has a bachelor of arts degree in education from the Federal University of Bahia and a professional certificate in event management from The George Washington University in Washington, D.C. In her spare time, Suzana loves to travel, go to the theater/movies, work out at the gym, read books/magazines, and spend time with friends and her beloved beagle, Brauni. Suzana can be reached by telephone at (301) 975-4219 or by e-mail at suzana.weaver@nist.gov. Welcome, Suzana!

Michelle Wilhide joined the Outreach and Communications Team as a Customer Service Specialist in February 2006. Her responsibilities include serving as a liaison with Baldrige customers and stakeholders, as well as assisting with other outreach activities including conferences. Most recently, she worked at ATP for 12 years as an Administrative Assistant.

A new homeowner, Michelle spends her time remodeling her 1920s colonial. She can be reached by telephone at (301) 975-5059 or by e-mail at michelle.wilhide@nist.gov. Welcome, Michelle!

Heather Zeitlin joined the Outreach and Communications Team as a Business Specialist in April 2006. She is a Certified Meeting Professional (CMP) and possesses a background in event management, with over eight years of experience planning conferences and meetings of various sizes. Most recently, she was employed by a contractor and provided conference and project management services for various institutes within the National Institutes of Health.

Away from work, Heather enjoys spending time with family and friends. Heather can be reached by telephone at (301) 975-8274 or by e-mail at heather.zeitlin@nist.gov. Welcome, Heather!

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The official newsletter for the Board of Examiners of the Malcolm Baldrige National Quality Award

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